

FISCAL IMPACT STATEMENT ON BILL NO. **S. 1138, as Amended thru March 30, 2006**
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TO: The Honorable Glenn McConnell, Chairman, Senate Judiciary Committee
FROM: Office of State Budget, Budget and Control Board
ANALYSTS: Rodney Grizzle, Allan Kincaid and Ken Brown
DATE: May 9, 2006 SBD: 2006213

AUTHOR: Senate Judiciary Committee PRIMARY CODE CITE: 16-3-655
SUBJECT: Sex Offender Accountability and Protection of Minors Act of 2006

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
A Cost of Federal and/or Other Funds (See Below)

BILL SUMMARY:

Senate Bill 1138, as amended thru March 30, 2006, amends the Code of Law of South Carolina, 1976, dealing with the active electronic monitoring of persons convicted of certain sex offenses involving a minor, who are released on Probation, Parole or Community Service Supervision. The Sections also create several new offenses and establishes the penalties for such offenses.

EXPLANATION OF IMPACT:

Department of Probation, Parole & Pardon Services (PP&P)

The Department indicates enactment would result in additional expenditures of \$4,162,825 in recurring personal service and operational cost in the first year and \$190,577 in non-recurring cost for the electronic monitoring of approximately 713 sexual offenders. The agency would require an additional 37.00 FTE's (29 Probation & Parole Agents, and 8 Support Staff for GPS Monitoring Unit) to maintain a 25 to 1 offender to agency ratio for a safe monitoring level. Over 60% of the annual recurring cost, approximately \$2.6 million is associated with the cost of leasing the GPS equipment at \$9.95 per day. The Bill requires offenders to pay for the cost of monitoring. The agency estimates first year collections may approach \$670,569 in offender fee revenues. Therefore, minimum first year net impact on the General Fund can be estimated at \$3,682,832 (\$4,162,825 + \$190,577 - \$670,569).

PP&P further estimates it would require an additional \$1,940,425 annually in recurring personal service and other operational costs and \$71,994 in non-recurring for each of the next 25 years. This would be needed to hire 14.00 new FTE's each year to handle the additional monitoring responsibilities for approximately 345 additional Sex Offenders. These costs would be offset to extent PP&P is able to collect fees from the offenders which is estimated to increase by approximately \$324,355 annually. Costs are anticipated to increase on an annual basis for years twenty-six through forty.

Department of Juvenile Justice (DJJ)

The Department indicates that this Bill would require additional General Funds of the State totaling \$399,493 annually. The Department supervises approximately 110 juveniles daily. Active electronic monitoring devices cost \$9.95 per day (110 X \$9.95 X 365). This estimate only addresses the cost of the monitoring devices and assumes that DJJ would rely on a cooperative agreement with the Department of Probation, Parole and Pardon Services to monitor the devices and coordinate response to alerts.

Department of Corrections

The Department indicates this Bill would gradually increase its inmate population to the point where ultimately it would need to construct an additional 256-bed facility. The Department anticipates its inmate population will increase by approximately 290 by the year 2032 as a result of enactment of this Bill. Construction cost for a facility of this size is estimated at \$6,600,000. Operating expenses, including salary and fringe for additional staff, is estimated at \$4,046,000 annually.

Judicial Department

The Department indicates this Bill would have a fiscal impact on the General Fund of the State, because Death penalty cases require more court time and therefore, caseload processing time for the criminal courts may increase overall. In addition, it is anticipated that there may be an increase in the criminal docket, since offenders may petition the court to be released from electronic monitoring after ten years, and enhanced penalties may lead to fewer guilty pleas. However, the Department cannot ascertain the actual increase in costs with its current available data.

State Law Enforcement Division (SLED)

SLED indicates there will be a nonrecurring cost of \$56,000 to the General Fund of the State to incorporate changes in its protocol manual and database for the administration of the Sex Offender Registry.

Office of Indigent Defense

The Office indicates this Bill will have a minimal fiscal impact on the General Fund of the State, which can be absorbed by the agency at the current level of funding.

Governor's Office – Office of Executive Policy and Programs

The State Office of Victims' Assistance indicates that one percent of approximately 7,000 claims per year would be eligible for reimbursement from the Victim's Compensation Fund (Other funds) based on the manifestation of a mental or physical injury diagnosed as a result of a crime committed against a minor (see section 10 of the Bill). Based on average payout of a claim of \$1,572 there will be an additional cost to the Victim's Compensation Fund of approximately \$110,040 each year, $(70 \times \$1,572 = \$110,040)$.

According to the State Office of Victims' Assistance, since the beginning of Fiscal Year 2005, the Crime Victims' Compensation Board has deemed eligible such claims on appeal with no significant impact on the solvency of the Crime Victim's Compensation Fund.

Recapitulation

First year General Fund impact is estimated to be \$3,891,749 in recurring funds and \$246,577 in non-recurring funds for a total first year impact of \$4,138,326 (including consideration of offender fee revenue). The Department of Probation, Parole & Pardon Services estimates that its cost would continue to increase by \$1,940,425 annually for years two through twenty five and by \$2,081,036 annually for year twenty-six through forty at which time the program is expected to mature and annual costs should stabilize.

The Judicial Department anticipates enactment will impact expenditures, but cannot provide a reliable estimate based on its current available data. In addition, the Department of Corrections indicates it will ultimately need to construct another facility to house the additional inmates. Construction of such a facility would result in additional annual recurring cost of \$4,046,000 and one-time construction cost of \$6,600,000.

SPECIAL NOTES:

The Board of Economic Advisors is the appropriate entity to address the revenue impact associated with this or any other Bill.

Approved by:

A handwritten signature in black ink that reads "Don Addy". The signature is written in a cursive, flowing style.

Don Addy
Assistant Director, Office of State Budget